

UCLA Faculty Association

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Friday, August 8, 2025

Straws in the Wind - Part 64 (update to Part 50)

Back at straw #50, we noted that the American Economic Assn. was detecting a soft market for economists. The [NY Times](#) also has noticed: *...For decades, earning a Ph.D. in economics has been a nearly foolproof path to a lucrative career. Even as bearers of advanced degrees in history, English or anthropology struggled to find gainful employment, the popularity of economics as an undergraduate major created plenty of tenure-track teaching positions, while government agencies snatched up Ph.D. economists in bulk. Those looking for even larger paychecks could turn to tech companies, Wall Street and consulting firms, which bid up the price of economists as if they were a bespoke cryptocurrency.*



Last year, the average base salary for newly hired economics professors at major research universities was more than \$150,000, according to the American Economic Association, and their compensation swelled to about \$200,000 once bonuses and summer teaching were included. As recently as the 2023-24 academic year, the employment rate for Ph.D. economists within a few months of graduation was 100 percent, said John Cawley, the chair of the association's Committee on the Job Market, citing the group's surveys. Job satisfaction topped 85 percent.

Those glory days seem to be ending. Universities and nonprofits have scaled back hiring amid declining state budgets and federal funding cuts. At the same time, the Trump administration has laid off government economists and frozen hiring for new ones.

Tech companies also have grown stingier, and their need for high-level economists — once seemingly insatiable — has waned. Other firms have slowed hiring in response to the economic uncertainty introduced by President Trump's tariffs and the possibility that artificial intelligence will replace their workers, even if those workers have a doctoral degree...

"The advent of A.I. is also impacting the market for high-skilled labor," said Betsey Stevenson, a labor economist at the University of Michigan, in an email. "So the whole thing is kind of a mess." ...

Full story at <https://www.nytimes.com/2025/07/28/business/economics-jobs-hiring.html>.

Posted by California Policy Issues at [3:20 AM](#) No comments:

Labels: [miscellaneous](#)

Will Harvard Continue to Lead the Charge? - Part 43



From [The Guardian](#) via [Yahoo News](#): *...The New York Times reported Harvard was open to spending up to \$500m to resolve its dispute with the Trump administration. A faculty member reportedly told the [student newspaper The Harvard] Crimson that [Harvard President] Garber denied it was true Harvard was open to spending that much — and he added that claim was leaked to the Times by the White House. The New York Times told the Crimson it stood by its reporting. "A Harvard spokesperson declined to comment but disputed the characterization of Garber's remarks after publication," the Crimson reported. "Harvard officials, including Garber, have consistently maintained that they will not agree to any deal that*

threatens the university's academic freedom. But it remains unclear exactly what Garber sees as essential."

The Crimson noted Harvard had already taken steps to try to appease the Trump administration by eliminating its diversity offices, cutting ties to a Palestinian university, following through on a commitment to establishing ties with Israeli universities, and centralizing disciplinary powers under Garber...

Full story at <https://www.yahoo.com/news/articles/harvard-president-reportedly-says-not-133451752.html>.

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Thursday, August 7, 2025

We are not alone

As faithful blog readers will recall, the Regents considered a plan for UC Health to form its own Pharmacy Benefits Manager (PBM) as a way of holding down drug cost inflation.*

UC is not alone in trying to find a solution to drug inflation. CalPERS is facing the same problem. However, it doesn't have its own health enterprise the way UC does, so it is seeking a contractual arrangement with its PBM that shares risk. From the Sacramento Bee:



Over the next five years, the California Public Employees Retirement System hopes to save \$600 million through a new contract with an intermediary that manages state workers' and their families' pharmacy benefits, with the goal of minimizing rising drug prices and stabilizing premium costs. Earlier this month, CalPERS announced a new agreement with CVS Caremark to serve as the pharmacy benefits manager (PBM) for 587,000 CalPERS members. That represents about 40% of the 1.5 million active and retired state workers and family members who are enrolled in the system's HMO and PPO plans...

To ensure CVS Caremark maintains reasonable pharmaceutical costs that don't exceed a projected 6.5% cost trend, the company agreed to put millions of dollars at risk. If CVS Caremark doesn't meet quality goals for treating patients with high blood pressure and diabetes, it will also have to compensate CalPERS. Over the five-year contract, CVS Caremark is putting \$250 million at risk...

Full story at <https://www.sacbee.com/news/politics-government/the-state-worker/article311498801.html>.

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Note that were UC to create an internal PBM, it would have no one to shed risk to. If UC penalized its own PBM, it would effectively be penalizing itself. Yours truly is not arguing that therefore creating an internal PBM would inherently be a bad thing. But he does suggest that the issue is more complicated than assuming that an internal PBM will automatically fix the drug cost problem.

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*<https://uclafacultyassociation.blogspot.com/2025/07/uc-health-considering-forming-its-own.html>.

Labels: [CalPERS](#), [health care](#), [UC](#)

Lawsuit on UC Hiring

From the [LA Times](#): *In a key win for immigrant rights organizations, a California Court of Appeal ruled that the University of California has not provided sufficient legal grounds to justify its "discriminatory policy" barring the hiring of undocumented students from on-campus jobs... Plaintiffs said that, without access to campus jobs, many undocumented students struggle to meet tuition costs and cover basic needs such as housing and food...*



Attorneys representing the UC system argued that its policy is justified because hiring undocumented students could run afoul of a federal law that bans the hiring of people without legal status and may provoke retaliation from the federal government. A three-judge panel, however, ruled that the system's policy violates California's Fair Employment and Housing Act and that fear of federal litigation is not sufficient grounds to uphold it...

The panel stopped short of ruling that UC must overturn its policy; rather, it ordered that the university system reconsider the policy based on proper legal criteria...

Full story at <https://www.latimes.com/california/story/2025-08-06/court-rules-uc-must-reconsider-policy-barring-undocumented-students-from-campus-jobs>.

NOTE: Blog readers may recall that this type of hiring came up repeatedly at Regents meetings and it looked for a time as if UC would go in that direction. But UC's general counsel advised not to go ahead because of the seeming conflict with federal law. The Regents then dropped the idea.

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Contributors

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Straws in the Wind - Part 63

From the [Chronicle of Higher Education](#): *In an era when colleges viewed diversity as both a moral imperative and a practical one, Virginia Commonwealth University's embrace of diversity and inclusion efforts seemed like a clear strength: Here was an institution serving an ever-broadening range of students, with the mission and branding to match.*

...But as leaders of the state and the nation have turned sharply against DEI, what was once a strength has become a political liability. The programs that fueled VCU's evolution — buoying its minority-student enrollment, building its national prestige — are being deemed discriminatory.

And now many of them are going away. In March, at the behest of its governing board, VCU dissolved its division of inclusive excellence. The university reassigned diversity officers and eliminated the use of diversity statements in hiring. An internal university review identified seven scholarships that would be seen as a "direct challenge" to federal guidance on race-conscious programs.

VCU also took an uncommon step further: It brought on an outside firm, Cozen O'Connor, to review the remainder of its policies and determine whether they comply with the Trump administration's mandates that DEI be stricken from all corners of campus life...

The review has stoked concern in some corners that nearly all university practices — including many defensible ones — are now open to inspection. VCU's own website has become a symbol of the state of flux: Pages that display scholarships, every page on the College of Humanities and Science website, and faculty profiles have been flagged with a banner indicating their contents are under review...

Full story at <https://www.chronicle.com/article/where-to-draw-the-line-on-dei-this-university-is-asking-a-lawyer>.

From the [San Francisco Chronicle](#): *Stanford University will permanently lay off hundreds of employees this fall as part of sweeping budget reductions driven by shifting federal policies and financial pressures, according to state filings and statements from university officials. The layoffs, effective Sept. 30, impact 363 positions and stem from a \$140 million reduction in Stanford's general funds budget for the 2025-26 academic year, according to a WARN notice filed last month. In messages to faculty and staff, university leaders cited federal policy changes under the Trump administration — including cuts to research funding and increases in the endowment tax — as key drivers behind the cuts... The specific departments and positions affected by the layoffs were not immediately clear...*

Full story at <https://www.sfchronicle.com/bayarea/article/stanford-university-layoffs-cuts-20803037.php>.



Will Harvard Continue to Lead the Charge? - Part 42



From the [Chronicle of Higher Education](#): *The accreditor that oversees Harvard University said Friday that it's considering removing language from its standards that refers to diversity, equity, and inclusion. The New England Commission of Higher Education — which accredits more than 200 colleges, primarily in the Northeast — is one of several major institutional accreditors that are reconsidering if and how members should demonstrate how they're meeting diversity goals. The commission's members were concerned about potential conflicts between the accreditor's standards and declarations from the federal government that DEI measures are illegal, said Lawrence M. Schall, president of the commission.*

The Trump administration has put intense pressure on both accreditors and their member colleges, including the New England commission in particular. In a June letter, the Departments of Health and Human Services and Education told the accreditor that it had found Harvard in violation of civil-rights law, and that action may be required because the university "may no longer meet" accreditation standards. (The commission has acknowledged to the departments that it received that notice, Schall said, and explained its process for responding to the issue.)

On Wednesday, the Department of Justice directed federally funded institutions to abandon any effort to rectify racial disparities in academic outcomes. The new guidance also suggested that efforts to target student recruitment in historically underserved communities could be using geography as an illegal proxy for race.

"What we heard from institutions is that they felt they would be put in an untenable position," Schall said...

In case you missed it...



Email of Wednesday morning:

Dear Bruin Community:

Last week, I promised to be in constant communication related to the suspension of federal research funding. The suspension of these funds is not only a loss to the researchers who rely on critical grants. It is a loss for Americans across the nation whose work, health and future depend on our groundbreaking research and scholarship.

We are doing everything we can to protect the interests of faculty, students and staff — and to defend our values and principles. **The UC Board of Regents and the UC Office of the President are providing counsel as we actively evaluate our best course of action.**

Many of you are understandably concerned and have questions during this time. On Monday, senior leaders held a town hall that brought together 3,150 faculty and staff. We will continue to hold town halls, convene office hours and share information with you, particularly those who are in the most directly affected areas. This includes departments that rely on funding from the National Science Foundation, National Institutes of Health and Department of Energy.

Since Monday's town hall, we have been able to tabulate an estimate of the impact of the recent grant suspensions. **Currently, a total of approximately \$584 million in extramural award funding is suspended and at risk. If these funds remain suspended, it will be devastating for UCLA and for Americans across the nation.**

Finally, I want to say a word about hearing your voices and the importance of shared governance. Throughout last spring's UCLA Connects: Listening Exercise, concerns about federal funding changes came up in the majority of the 38 sessions. I heard your concerns and suggestions as your chancellor, but I also understood them in my role as a member of the faculty. We work closely with Academic Senate leadership on critical issues affecting the university, and many positions in academic administration are held by faculty members — both key features of shared governance. As we actively seek to restore funding for our vital research while defending our core values, I will continue engaging with our faculty and all members of our community.

UCLA's greatness comes from the dedication our Bruin community shows in our most challenging moments. I want to extend my heartfelt thanks to all of you for your resilience and how much you care about your fellow Bruins. UCLA has faced defining moments before, and we get through them — together.

We are One UCLA.

Julio Frenk
Chancellor

Labels: [politics](#), [UC Regents](#), [UCLA](#), [UCOP](#)

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